



MEDIOBANCA
Banca di Credito Finanziario S.p.A.

Milan, 8 November 2011
CL.020/11

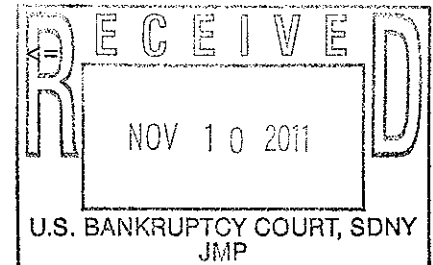
To:

Honorable James M. Peck
One Bowling Green, New York
New York 10004, Courtroom 601

Weil Gotshal & Manges LLP
767 Fifth Avenue, New York
New York 10153
Attn: *Jacqueline Marcus, Esq.*

Office of the United States Trustee for Region 2
33 Whitehall Street, 21st Floor, New York
New York 10004
Attn: *Tracy Hope Davis, Esq., Elisabetta Gasparini, Esq. And Andrea Schwartz, Esq.*

Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza, New York
New York 10005
Attn: *Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq.*



Re: Objection to Notice of Proposed Assumption of executory contracts and unexpired leases pursuant to Debtors' Third Amended Joint Chapter 11 Plan pursuant to Section 1121 of the Bankruptcy Code

Please see enclosed Mediobanca S.p.A. objection to Notice of Proposed Assumption of executory contracts and unexpired leases pursuant to Debtors' Third Amended Joint Chapter 11 Plan pursuant to Section 1121 of the Bankruptcy Code.

Regards,

Mediobanca
Banca di Credito Finanziario S.p.A.

Legal Counsel



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To: Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza, New York
New York 10005
Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq.

Dear Sirs,

Re: Objection to Notice of Proposed Assumption of executory contracts and unexpired leases pursuant to Debtors' Third Amended Joint Chapter 11 Plan pursuant to Section 1121 of the Bankruptcy Code,

We make reference to the 1992 ISDA Master Agreement (Multicurrency – Cross Border) dated 6 November 2000 (the "**Agreement**"), as as supplemented by the Schedule thereto and by a Credit Support Annex dated as of 6 November 2000 which forms part of the Agreement, entered into by and between Mediobanca – Banca di Credito Finanziario S.p.A. and Lehman Brothers Special Financing Inc. ("**LBSF**"). Capitalized terms not defined in this letter shall have the same meaning ascribed to them in the Agreement.

Reference is also made to your communication dated 27 October 2011 whereby you notified us that you intend to assume the Agreement, to the extent not already expired by its own terms.

In this regards, we would like to bring to your attention that the Agreement has indeed expired by its own terms as a consequence of the termination notice dated 17 September 2008 and sent by us to LBSF whereby we exercised our right to terminate all the transactions entered into with LBSF under the Agreement in accordance with Section 6 of the Agreement and designated 18 September 2008 as early termination date of all the transactions entered into under the Agreement (the "**Early Termination Date**").

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Accordingly, we maintain that the Agreement is not capable of being assumed by you, contrary to what your communication may suggest. We note that Lehman itself, either directly or through LAMCO Services Ltd, has confirmed in many occasions that it also deems the Agreement to have been early terminated, so much so that we are currently engaged in discussions around the determination of the termination value of the Agreement. We cannot see how Lehman could have possibly engaged in such discussions, had it not accepted that the Agreement had been terminated.

In the light of the above, we hereby OBJECT to assumption of the Agreement on the basis that it has already expired on the Early Termination Date and as such it is not capable of being assumed by you.

Nothing in this notice shall be deemed to constitute a waiver of any rights, claims and remedies that we may have at law, in equity, under the Agreement or any other agreement between you and us, or otherwise, nor shall it be construed as an admission of any fact in respect of the subject matter of this letter.

Yours Sincerely,

Mediobanca

Banca di Credito Finanziario S.p.A.

Legal Counsel

Authorized signature